ಶ್ರೀ ಎ. ಜಿ. ದೊಡ್ಡಮೇಟಿ.—ನನ್ನ (a) (ii) ಪ್ರಶ್ನೆಗೆ ಉತ್ತರವಾಗಿ 1960 ನೇ ಫೆಬ್ರವರಿ 17ನೇ ತಾರೀಖಿನಲ್ಲಿ ಆದಳಿತ ಮುಂಜೂರಾತಿಯನ್ನು ಮಾಡಿದ್ದೇವೆಂದು ಹೇಳಿದ್ದೀರಿ. ಹಾಗಾದರೆ ತಾಂತ್ರಿಕ ಮುಂಜೂರಾತಿ ಆಗಿಲ್ಲವೇ?

†ಶ್ರೀ ಎಂ. ಎಸ್. ನಾಗನೂರ್.—ಇನ್ನೂ ಆಗಿಲ್ಲ.

ಶ್ರೀ ಎ. ಜಿ. ದೊಡ್ಡಮೇಟಿ.—ಇದಕ್ಕೆ ಎಸ್ಟಿಮೇಟು ಎಷ್ಟು ಆಗಿದೆ?

ಶ್ರೀ ಎಂ. ಎಸ್. ನಾಗನೂರ್.—24 ಸಾವಿರ ರೂಪಾಯಿಗಳು.

ಶ್ರೀ ಎ. ಜಿ. ದೊಡ್ಡಮೇಟಿ.—ಇದಕ್ಕೆ ಸಂಬಂಧಪಟ್ಟ ಎಲ್ಲಾ ಕೆಲಸಕಾರ್ಯಗಳೂ ಬಹುತೇಕ ಕಂಟ್ರಾಕ್ಟರ್ಸ್ ಅಭಾವದಿಂದಲೇ ನಿಧಾನವಾಗುತ್ತಿರುವುದು ಎಂಬುದಾಗಿ ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ಬಂದಿದೆಯೇ? ಮತ್ತು ಏತಕ್ಕಾಗಿ ಇದು ಇಷ್ಟು ವಿಳಂಬವಾಯಿತು.

ಶ್ರೀ ಎಂ. ಎಸ್. ನಾಗನೂರ್.—ಉತ್ತರದಲ್ಲಿ ಹೇಳಿರುವ ಎಲ್ಲ ಕೆಲಸಕಾರ್ಯಗಳೂ ಪೂರು ಆಗಿವೆ. ಅದು ಒಂದು ಮಾತ್ರ ಎಸ್ಟಿಮೇಟ್ ರಿವೈಜ್ ಆದ್ದರಿಂದ ನಿಧಾನವಾಗಿದೆ.

ಶ್ರೀ ಎ. ಜಿ. ದೊಡ್ಡಮೇಟಿ.—ಸರ್ಕಾರೀ ಈ ಎಲ್ಲಾ ಪ್ರಾಜೆಕ್ಟುಗಳಿಗೆಲ್ಲಾ ಹಿರೇಹಳ್ಳದ ಕಂಟ್ರಾಕ್ಟರೊಬ್ಬರೇ ಎನ್ನುವುದು ಸರ್ಕಾರಕ್ಕೆ ಗೊತ್ತಿದೆಯೇ?

ಶ್ರೀ ಎಂ. ಎಸ್. ನಾಗನೂರ್.—ಇರಬಹುದು.

ಶ್ರೀ ಎ. ಜಿ. ದೊಡ್ಡಮೇಟಿ.—ಅಂದರೆ ಈಗಿರತಕ್ಕ ಕಂಟ್ರಾಕ ದಾರನು ಹಿರೇಹಳ್ಳದ ಕೆಲಸವನ್ನು ಇನ್ನೂ ಸರಿಯಾಗಿ ಸಾಕಷ್ಟು ಅವಸರದಿಂದ ಪ್ರಾರಂಭ ಮಾಡಲಿಲ್ಲ. ಇಂತಹ ಪರಿಸ್ಥಿತಿ ಇರುವಾಗ ಬೇರೆ ಕೆಲವು ಕಂಟ್ರಾಕ್ಟರುಗಳನ್ನು ಹಿಡಿದು ಏಕೆ ಕೆಲಸ ಮಾಡಿಸಬಾರದಾಗಿತ್ತು. ಅಲ್ಲಿ ಇನ್ನೂ ಕೆಲಸ ಪ್ರಾರಂಭವಾಗಿಲ್ಲದೇ ಇರುವುದು ಅದು ಕಂಟ್ರಾಕ್ಟರ್‌ದಾರರ ನಿಧಾನದಿಂದ ಎಂಬುದು ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ಬಂದಿದೆಯೇ?

ಶ್ರೀ ಎಂ. ಎಸ್. ನಾಗನೂರ್.—ಅಲ್ಲಿ ಬೇರೆ ಕಂಟ್ರಾಕ್ಟರ್ ಬಾರದೇ ಇದ್ದು, ಪುನಃ ಈ ಕಂಟ್ರಾಕ್ಟರ್ ಟೆಂಡರ್ ಹಾಕಿದ್ದರೆ, ಅದನ್ನೇ ನಾವು ಒಪ್ಪಿಕೊಳ್ಳಬೇಕಾಗುತ್ತದೆ.

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## AGREEMENT FOR TECHNICAL COLLABORATION WITH A GERMAN FIRM A.E.G. ON BEHALF OF GOVERNMENT ELECTRIC FACTORY, BANGALORE.

*Q.—230. Sri J. B. MALLARADHYA (Nanjangud).—

Will the Government be pleased to state:—

(*a*) whether they have entered into an agreement for Technical Collaboration with a German firm A.E.G. on behalf of the Government Electric Factory, Bangalore, for the manufacture of Electric Transformers;

(*b*) if so, what are the terms of agreement;

(*c*) to whom the sales agency for the sale of transformers has been given and under what conditions;

(*d*) whether tenders were called for either for technical collaboration or for the disposal of sales agency?

*A.*— Sri B. D. JATTI (Chief Minister).—

(*a*) Yes.

(*b*) *Vide* copy of agreement placed on the Table of the House.

(*c*) Messrs. Dodsal Private Limited, Bombay. For conditions of agency, *vide* copy of agreement placed on the Table of the House.

(*d*) Terms and conditions of collaboration were obtained from three reputed foreign firms of which Messrs. A.E.G. is one. For disposal of Sales Agency, no tenders were called for. It was found in the best interests of Government to give the sales agency to M/s. Dodsal for the sale of products under A.E.G. License.

Sri J. B. MALLARADHYA.—I want to know when this agreement was entered into, whether it is after any discussion with any committee or Board of Management of industrial concern ?

†Sri B. D. JATTI.—Sir, this agreement was finalised before the formatien of the new Mysore State; I do not know all the details of that time.

Sri J. B. MALLARADHYA.—Has the Government of India communicated its concurrence in regard to this wonderful agreement, Sir ?

Sri B. D. JATTI.—Sir, it is not at all a wonderful agreement. It is an agreement entered into by the then Government of Mysore. Collaboration with A.E.G was approved by Government in 1955. Draft agreement for collaboration was approved in 1956. One of the clauses of the draft agreement provided that the sale of manufactured products should be entrusted to the representative of A.E.G in India *i.e.*, Dodsal. The Draft agreement was approved by the Government of India on 15th June 1956 and the order was issued on the very date.

Sri J. B. MALLARADHYA.—Are Government aware that this is very unusual that the manufacturing concern should be given the selling agency also?

Sri B. D. JATTI—It is usual because all these things were considered at that time.

Sri J. B. MALLARADHYA.—Are Government aware that no tenders were called for either for technical Collaboration or disposing of the selling agency?

Sri B. D. JATTI.—Sir, quotations were called for from different companies and when they were asked to give details of proposals, others did not come forward. Only the A.E.G people supplied the details regarding the proposals. As it was the only one company, the whole thing was considered by the then Government.

Sri J. B. MALLARADHYA.—Sir, I am asking whether tenders were called for either for the technical collaboration or for selling agency; if so, what the date on which tenders were called for and through what medium?

Sri B. D. JATTI.—Sir,I do not know what happened at that time.

Sri J. B. MALLARADHYA.—It is not necessary that the successor of that Government should be responsible for all the moneys entrusted to its care? I ask why this matter was not disposed of by open tender system--whether it is selling agency or technical collaboration? What were the special circumstances?

Sri B. D. JATTI.—Sir, whatever commitments that have been made by the previous Government must be respected by this Government. I hope the Hon'ble Member is aware of this. If that Government called for only quotations, I am not responsible.

Sri G. VENKATAI GOWDA.—May I know the duration for which the selling agency has been given?

Sri B. D. JATTI.—The duration is different. There are a number of conditions and I cannot reply in one sentence; otherwise I will place the entire thing before the House.

Sri J. B. MALLARADHYA.—My first question is: whether the Government of India has agreed or given its concurrence to this contract or agreement. That was not answered. Secondly, I want to know the date on which the Government of India communicated their acceptance of this agreement between the two parties.

Sri B. D. JATTI.—I do not know the date. If the date is necessary I will find out and place it. Without the concurrence of the Government of India we cannot place the orders on foreign companies. Foreign exchange is also involved and also colloboration is necessary.

Sri J. B. MALLARADHYA—My question does not pertain to foreign exchange. Have the Government of India made any observations in regard to the proposed agreement. In communicating their concurrence I wish to ask: have not the Government of India made certain observations and if so what are those observations and if they have not made any observations, I would like to have a categorical answer.

Sri B. D. JATTI.—As far as I know there are no observations and if there are any observations made against the terms of the agreement, let the Hon'ble Member point out.

(*Several Hon'ble Members* rose).

Sri J. B. MALLARADHYA.—It is not for me to give information to the Chief Minister. It is his business to furnish information.

Mr. SPEAKER.—The Hon'ble Member may take the first part of his answer.

Sri J. B. MALLARADHYA.—But the Chief Minister says I must say something by way of information.

Mr. SPEAKER.—But in the earlier part of the answer the Chief Minister said that there were no adverse observations relating to the terms of the agreement.

Sri J. B. MALLARADHYA.—In the beginning the Chief Minister said that he has no information available but now he says that so for as his knowledge goes there are no adverse observations. When did the Government of India agree to the terms ?

Sri B. D. JATTI.—The date on which the consent was given is not available with me.

Sri J. B. MALLARADHYA.—I want to know how if the date is not known, the Chief Minister knows about the terms of the agreement.

Sri B. D. JATTI.—The agreement copy is there and anybody can look into it. There is nothing wrong about it.

Sri J. B. MALLARADHYA.—So far as the agreement is concerned it does not say that the Government of India have approved it. There is nothing there. I have scrutinised the copy of the agreement placed on the table. It is very obligatory when any State Government enters into an agreement for purposes of either financial or technical collaboration that they must obtain the concurrence of the Government of India subject to certain conditions. I want to know whether the Government of India has drawn the attention of this State Government on this. I am not asking this question with a view to attack this Government. It is a very unusual contract that can be entered between any Government and a foreigner.

ಅಧ್ಯಕ್ಷರು.—Unusual Contract ಎಂದು ತಮ್ಮ ಅಭಿಪ್ರಾಯವೇನು ? Government of India consent ಕೊಟ್ಟಿದ್ದಾರೆಂದು ಹೇಳುತ್ತಿದ್ದಾರೆ.

Sri J. B. MALLARADHYA.—There are certain supplementaries which will arise. The date is very important for this reason. A selling agent gets 35 thousand rupees by way of selling commission. Does the Chair consider this an unimportant question.....

Sri B. D. JATTI.—He may get a crore of rupees. That does not matter.

Sri J. B. MALLARADHYA.—My supplementary will arise out of the question.

Mr. SPEAKER.—The Chief Minister says that the consent has been procured. But he does not know the date.

Sri J. B. MALLARADHYA.—I want to know the date and the conditions under which the Government of India have agreed so that it may facilitate supplementaries.

Sri B. D. JATTI.—It is not possible for me to give the date. That question was not specifically asked. I will furnish the date if it is necessary.

Sri G. VENKATAI GOWDA.—I had asked for how many years the sales agent has been given and the terms thereof ?

Sri J. B. MALLRADHYA.—Is this gentleman, Dodsal, a Mysorean ?

Sri B. D. JATTI.—I do not know whether he is a Mysorean or African or American. I can only give the name. He is the licencee of the A.E.G.

Sri J. B. MALLARADHYA.—Is it not very material to ascertain whether he is a Mysorean ?

Sri B. D. JATTI.—I said I do not know whether he is a Mysorean.

Sri J. B. MALLARADHYA.—I did not ask whether he comes from Jamkhandi. I want to know whether he is a local person who got the benefit. How can he ignore the question. That question would be helpful to frame further supplementaries.

Mr. SPEAKER.—He does not know whether he is a Mysorean.

Sri J. B. MALLARADHYA.—I seek the protection of the Chair. Is it not his duty to furnish the answer ?

Mr. SPEAKER.—It is not his duty. If he has got the information, it is well and good.

Sri J. B. MALLARADHYA.—I cannot understand the attitude of the Chair. I want to know whether I am within my right to ask that question.

Mr. SPEAKER.—He can ask for the information. But if the Chief Minister says that he does not have the information what can I do ?

Sri J. B. MALLARADHYA.—Is that a correct answer in your view ?

Mr. SPEAKER.—Does he think it is wrong ?

Sri J. B. MALLARADHYA.—Are you not entitled to make the Government furnish the information.

Mr. SPEAKER.—How can I ask the Government ?

Sri J. B. MALLARADHYA.—What is this ? What is the protection that the Members get in this Hon'ble House.

Mr. SPEAKER.—I cannot understand how the Speaker can direct an answer. The question is very simple and the Chief Minister says "I do not know".

Sri J. B. MALLARADHYA.—Can he not ascertain and furnish it ?

Mr. SPEAKER.—That is a different matter.

Sri B. D. JATTI.—It is not the duty of the Government to find out if every person was born in Mysore or where he was born and when he was born. All citizens are equal before the Government.

Sri J. B. MALLARADHYA.—Is this the way that the Chief Minister protects the interests of Mysore people ?

Sri B. D. JATTI.—A member can make any observation.

Sri C. J. MUCKANNAPPA.—I rise to a point of order. It arises from the reply given by the Chief Minister. When a particular agency is given to a particular individual, Government should have some information as whether he is a man from Mysore State or from Switzerland. What place does he come from and what is his address ?

Mr. SPEAKER.—That is not a point of order. Government will give the address. But Government is not bound to know the nationality of Dodsal. Government is not bound to know whether he is a Mysorean or not.

Sri C. J. MUCKANNAPPA.—I want to know the address of this Dodsal. From what place does he come from?

Sri B. D. JATTI.—I will reply to Sri Venkatai Gowda.

Mr. SPEAKER.—The address of Dodsal is given in the answer.

Sri J. B. MALLARADHYA.—That is the name of the firm. I want to know where he comes from. I am concerned with the individual and it arises because I want to ask further supplementaries.

Mr. SPEAKER.—It is not the individual to whom the agency has been given.

Sri J. B. MALLARADHYA.—Dodsal is not an inanimate object. Who forms the company ? It consists of individuals.

Sri B. D. JATTI.—Dodsal is a firm. I do not know the names of persons. I do not know their nationality or where they come from; whether from Jamkhandi or Nanjangud.

Sri J. B. MALLARADHYA.—If he came from Nanjangud I would certainly have known him.

Mr. SPEAKER.—I believe, Sri Mallaradhya knows the man.

Sri J. B. MALLARADHYA.—It is as well as the Chief Minister knows. I am only trying to guard the rights and privileges of Members. It is the duty of the Government to furnish an answer when a question is asked and if a Minister does not have the information, he should say he will collect it. ಸಾಜನ್ಯವಿರಬೇಕು. ಅದು ಇಲ್ಲದೆ ಇದ್ದರೆ, what is the use ?

ಶ್ರೀ ಬಿ. ಡಿ. ಜತ್ತಿ.—ನಕಾರ್ಯರಕ್ಕೆ ಸಾಜನ್ಯವಿರಬೇಕು. ಕೇಳುವವರಿಗೆ ಸಾಜನ್ಯವಿರ ಬೇಕು. ಇನ್ನೊಬ್ಬರಿಗೆ ನೀತಿ ಹೇಳುವುದು ಒಬ್ಬರ ಮನಾಪಲ ಅಲ್ಲ.

9-30. A.M.

Sri M. C. NARASIMHAN.—Sir, I would like to know if it is not a fact that the agreement was finalised only in January 1959.

Sri B. D. JATTI.—The conditions which.....

Sri M.C. NARASIMHAN.—I appeal to the Chair, because this is a very important matter and it involves some time. You will kindly allow me to put two or three questions pertaining to the agreement.

Mr. SPEAKER.—Yes.

Sri B. D. JATTI.—Sir, the terms and conditions were agreed to in the year 1956. On that basis, final agreement has been concluded in the year 1960.

Sri M. C. NARASIMHAM.—Was it not possible for the Government since it was finalised in the year 1959 to change any of the conditions which they felt was disadvantageous to them?

Sri B. D. JATTI.—It is correct. In some of the conditions, we have made impovement in consultation with the party concerned, and it is to the advantage of the Government.

Sri M. C. NARASIMHAN.—May I know if it is not one of the terms of the agreement that if something goes wrong in the whole scheme of the agreement, AEG will not take any responsibility for that?

Sri B. D. JATTI.—It is not correct, Sir.

Sri M. C. NARASIMHAN.—I may refer to article 9 Reservation. Does it not refer to this? Will it not mean that AEG will assume no responsibility for losses arising out of the technical data?

Sri B. D. JATTI.—It is a technical matter. I do not know.

I will now reply the question put by Shri G. Venkatai Gowda, Sir. I will give out some of the important conditions.

(1) The AEG will assist the GEF in the above lines of manufacture allowing the GEF to use AEG patents, necessary drawing as well as lay-outs plant of the buildings and machinery.

(2) AEG will depute their specialists at Government cost in the discharge of their obligations to assist the factory in the expansion scheme. Further, AEG will train GEF Engineers in AEG Factories in Germany at Government cost.

(3) In satisfaction of the above functions of AEG. Government will compensate AEG as follows:

(i) Lumpsum compensation of Rs. 2,00,000

(ii) 2½ per cent royalty free of Indian Income-tax on all sales of productions manufactured under the AEG licence.

(4) The period of agreement will be 10 years and the target production fixed in the agreement will have to be achieved during the period of 3 to 4 years from the effective date of the agreement except in the case of manufacture of Switches for which the period extends up to 6 years.

(c) Some of the important conditions of the Sales Agreement are as follows:

(i) the agreement has been entered into between the three parties, *viz.*, Government of Mysore, AEG and Dodsal;

(ii) The agreement pertains to the sale of products under AEG licence only.

(Sri B. D. JATTI)

3. Dodsal will have exclusive selling rights throughout the Union of India except supplies in the Mysore State to the Government Department, Government companies and concerns and the Mysore State Electricity Board.

4. Dodsal will sell at least 60 per cent of the products, the balance being considered as the approximate consumption in the Government Department, Government companies and concerns and the Electricity Board in the Mysore State. However in the event the accumulation of stocks exceeding 25 per cent of the factory's annual output is noticed, Government will have the right to sell such accumulated stocks by Direct ales or through any other agency without paying commission to Dodsal.

5. Dodsal will maintain an appropriate sales organisation and after-Sales service organisation. They may appoint sub-agents or dealers within the territory.

6. Prices and terms of payment will be as follows:—

(i) the factory will sell the products at its best price to Dodsal or,

(ii) the factory will fix the price payable by the consumer in consultation with Dodsal and allow Dodsal the following discounts subject to the codition that the said discounts will apply as the average yearly profits of the factory do not fall below 15 per cent. If the average profits are found to be lower than 15 per cent the said discount will be suitably regulated ensure 15 per cent profit to the factory.

(1) 25 per cent on all series production of profits like small motors, switchgear, small transformers, etc., and which will be sold to Dodsal.

(2) 15 per cent in the case of forward delivery orders which do not to normally involve financial investment by Dodsal.

The method described under (i) will be tried for the first three years. Thereafter, the position will be reviewed and either of the methods (i) or (ii) will be adopted depending upon which proves to be more favourable to Government.

In any of the two methods, Dodsal will make payment in respect of the products ordered by them fully against production of Railway Receipts or other proofs of despatch.

7. The agreement will be co-terminus with the agreement of the collaboration entered into between Government and AEG and will be valid for ten years.

8. The agreement may be prolonged or terminated automatically with the agreement of collaboration. In such an event, the firm which will be appointed by AEG as its representatives in India in place of Dodsal will automatically be granted the exclusive selling rights covered by this agreement.

9. Government will be entitled after consulting AEG to terminate the present contract after giving three months notice in writing to Dodsal if Dodsal fails to sell at least 80 per cent of the factory's actual annual output in any o .e year *less* the actual sales to Government or to Government companies or Concerns and the Mysore State Electricity Board during that year and are unable to make up the short fall in the following year in addition to discharging the above obligations of selling at least 80 per cent for that year.

(*d*) Although no tenders were invited as such, representatives of Messrs. Lancashire Dynamo Crupto Company Ltd., England and (2) Messrs. Toshiba, Japan and (3) Messrs. AEG of West Germany had been contacted with a request to furnish their terms and conditions of collaboration to expand the factory. Response came only from the AEG of West Germany and therefore, collaboration was finalised with AEG.

There was neither scope nor necessity to invite tenders with regard to the Sales Agency due to the following:

While negotiating the terms of Agreement of Collaboration, AEG made the proposal that sales of the products of the factory under AEG licence should be entrusted to the representatives of AEG in India. The same was agreed to by Government of Mysore since it was found that the representatives of AEG were Messrs. Dodsal Private Ltd., who had the best of the country-wide sales organisation in India and who possessed the desired business integrity and hence it was considered that awarding the Sales Agency to Messrs. Dodsal will be in the best interest of Government.

Sri J. B. MALLARADHYA.—As a result of the agreement, has the Government any idea of the increased profit that the GEF is likely to make? Have the Government made any assessment?

Mr. SPEAKER.—From the replies of the Chief Minister, it appears that Dodsal is an agent of the AEG.

ಶ್ರೀ ಜೆ. ಬಿ. ಮಲ್ಲಾರಾಧ್ಯ.—ಅದನ್ನೇ ನಾವೀಗ ವಿರೋಧಮಾಡುತ್ತಿರುವುದು. You will try to get the information. ನೀವು ಏನು ಒಡಿದ್ದೀನಿ: you cannot create monopoly for selling agency for these products which could be easily sold.

AN HON'BLE MEMBER.—Dodsal is not the product of the Mysore Government, he is the product of the AEG.

Mr. SPEAKER.—It appears that M/s. Dodsal is an agent of AEG. The Mysore Government has no alternative.

Sri B. D. JATTI.—That was why I read the wholething very clearly, so that the whole House may know it. If the Hon'ble Member has not understood it, I cannot help it.

Sri M. C. NARASIMHAN.—My friend is trying to ask a question about profits. That question is not answered by the Chief Minister.

Sri J. B. MALLABADHYA.—When the agreement was about to be entered into betwen the Government of Mysore and the foreign firm, was any assessment made of the likely additional profit that would accrue to this Electric Factory as a result of this agreement?

Sri B. D. JATTI.—Whenever Government comes to a decision to expand any factory, it is expected that it will look into all matters very carefully and it feels that it will get more profit.

Sri J. B. MALLARADHAYA.—What is the size of the profit according to this assessment ?

Sri B. D. JATTI.—In a business concern, it is very difficult to speculate what will be the profit. When business people embark upon such ventures, they will have to be prepered for profit as well as loss. Generally, when we expand, we take the advice of technical people and it is only on their advice that we will get more profit that we expand.

Sri J. B. MALLARADHYA.—That is no answer to my question. My question is, what is the size of the profit according to the assessment made.

Sri B. D. JATTI.—A separate question may be put.

Sri D. DEVERAJ URS.—It was stated by the Chief Minister that the agreement was finalised in the year 1956 and it was signed in the year 1959. Would it not have been possible for Government scrutinise the whole agreement at the time of entering into the final stage of the agreement ?

Sri B. D. JATTI.—As I said, the main principles were accepted by the previous Government and we could not make any changes except in certain minor matters. Wherever it was possible to make such minor changes to the benifit of the Government, we have done that.

Sri D. DEVARAJ URS.—Is Government aware that these electrical goods like Transformers, etc., are very easily sold in the market and there is a great demand for them in the market ?

Sri B. D. JATTI.—If it is a monopoly business that may be so, but about a year back there was so much difficulty for making sales and we had to search for an agent who would do propaganda for the sale of these goods and then we got this agent.

Sri D. DEVARAJ URS.—At the time of giving the agency to Dodsal no tenders were called for. Without calling for tenders, how could you know that there was no other company which would enter into an agreement with Government on more favourable terms to the Government ?

Mr. SPEAKER.—He has already answered that question.

Sri C. J. MUCKANNAPPA.—Will Government assure this House that this agreement will bring some profit to the State ?

Sri B. D. JATTI.—Without having an idea of the profit, nobody will think of expanding a factory.

Sri F. X. DENIS PANTO.—Is it not a fact that there is no ready market for these goods and that is why Dodsal was given this agency ?

Sri B. D. JATTI—That is exactly the point. We could not get a ready market and we had to search for some agent and ultimately Dodsal came to our rescue.

AN HON'BLE MEMBER.—What was the reason for gining them 25 per cent commission over the sales ?

Sri B. D. JATTI.—Because we wanted to push our commodity in the market and increase the sales.

Sri S. D. KOTHAWALE.—It appears that the selling agent will get 25 per cent commission while the profit guaranteed to the factory is only 15 per cent. Is the agent to get 10 per cent more merely for the act of selling ?

Sri B. D. JATTI.—I have given all the rates and conditions. At times, we may have to give even more. If there are several brands of the commodity in the market, we may have to give higher percentage.

Mr. SPEAKER.—Question time is over.

Sri M. C. NARASIMHAN.—Will this agreement be made available to the Members ? It may be placed on the Table.

Mr. SPEAKER.—All papers will be placed on the Table of the House. I will allow half an hour discussion.

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## QUESTIONS FOR ANSWERS ON THE DAY

(but not taken up)

## SCHEMES FOR MAKING KRISHNARAJENDRA HILL STATION AS AN ATTRACTIVE TOURIST CENTRE.

*Q.—108. Sri D. T. SEETHARAMA RAO (Bhadravati).—

Will the Government be plased to state.—

(*a*) the schemes that are under the consideration of Government for making Krishnarajendra Hill Station, Kemmanagundi, a more attrac ive Tourist Centre ;

(*b*) the comparative figures in respect of the number and emoluments of the staff at Kemmanagundi and Nandi Hills ?

*A.*—Sri B. BASAVALINGAPPA (Deputy Minister for Home).—

(*a*) No scheme is under consideration of Government, but re-transfer of the Kemmanagundi Hill Station to the Horticulture Department is under consideration of Government. After its decision, necessary measures to make the Hill Station more attractive will be formulated.

(*d*) *Vide* Statement given below.